



## DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

[Docket No. FR-5859-N-01]

### Advance Notice of Digital Opportunity Demonstration

**AGENCY:** Office of the Secretary, HUD.

**ACTION:** Notice.

**SUMMARY:** Through this notice, HUD solicits advance comment on a demonstration designed to test the effectiveness of collaborative efforts by government, industry, and nonprofit organizations to accelerate broadband adoption and use in HUD-assisted homes. Approximately 20 HUD-assisted communities, selected from across the country, are anticipated to participate in the demonstration. The purpose of the demonstration is to provide students — and their families — the ability to benefit from life-changing opportunities that technology affords. Specifically, the demonstration will focus on providing students housed with HUD assistance the opportunity to improve their educational and economic outcomes through a range of efforts to narrow the digital divide.

**DATES:** Comment Due Date: **May 1, 2015.**

**ADDRESSES:** Interested persons are invited to submit comments responsive to this notice to the Office of General Counsel, Regulations Division, Department of Housing and Urban Development, 451 7th Street, SW, Room 10276, Washington, DC 20410-0001. All submissions should refer to the above docket number and title. Submission of public comments may be carried out by hard copy or electronic submission.

*Submission of Hard Copy Comments.* Comments may be submitted by mail or hand delivery. Each commenter submitting hard copy comments, by mail or hand delivery, should

submit comments to the address above, addressed to the attention of the Regulations Division. Due to security measures at all federal agencies, submission of comments by mail often results in delayed delivery. To ensure timely receipt of comments, HUD recommends that any comments submitted by mail be submitted at least 2 weeks in advance of the public comment deadline. All hard copy comments received by mail or hand delivery are a part of the public record and will be posted to <http://www.regulations.gov> without change.

*Electronic Submission of Comments.* Interested persons may submit comments electronically through the Federal eRulemaking Portal at <http://www.regulations.gov>. HUD strongly encourages commenters to submit comments electronically. Electronic submission of comments allows the commenter maximum time to prepare and submit a comment, ensures timely receipt by HUD, and enables HUD to make comments immediately available to the public. Comments submitted electronically through the <http://www.regulations.gov> website can be viewed by other commenters and interested members of the public. Commenters should follow instructions provided on that site to submit comments electronically.

*No Facsimile Comments.* Facsimile (fax) comments are not acceptable.

*Public Inspection of Comments.* All comments submitted to HUD regarding this notice will be available, without charge, for public inspection and copying between 8 a.m. and 5 p.m., Eastern Time, weekdays at the above address. Due to security measures at the HUD Headquarters building, an advance appointment to review the public comments must be scheduled by calling the Regulations Division at 202-708-3055 (this is not a toll-free number). Individuals with speech or hearing impairments may access this number through TTY by calling the Federal Relay Service at 800-877-8339 (this is a toll-free number). Copies of all comments submitted are available for inspection and downloading at <http://www.regulations.gov>.

**FOR FURTHER INFORMATION CONTACT:** Camille E. Acevedo, Associate General Counsel for Legislation and Regulations, Office of General Counsel, Department of Housing and Urban Development, 451 Seventh Street, SW, Room 10282, Washington, DC 20410-7000, telephone number 202-402-5132 (this is not a toll-free number). Persons with hearing or speech impairments may access this number through TTY by calling the Federal Relay Service at 800-877-8339 (this is a toll-free number).

## **SUPPLEMENTARY INFORMATION**

### **I. Background**

Knowledge is a pillar to achieving the American Dream — a catalyst for upward mobility as well as an investment that ensures each generation is as successful as the last. Nations and local communities that cultivate access to global knowledge will thrive in an increasingly complex and technologically oriented world, while those that do not will struggle to keep pace. The adoption, associated programming, and use of broadband technology are powerful tools to increase access to knowledge. In the summer of 2013, President Barack Obama unveiled “ConnectED,” a bold plan to transform teaching and learning in American public schools through technology — built atop a challenge to ensure that 99 percent of students have access to high-speed broadband in their classrooms by 2018.<sup>1</sup> Many low-income Americans do not have broadband Internet at home, contributing to the estimated 66 million Americans who are without the most basic digital literacy skills.<sup>2</sup> Without broadband and the skills to use technology at home, children will miss out on the high-value educational, economic, and social impact that high-speed Internet provides.

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<sup>1</sup> <https://www.whitehouse.gov/issues/education/k-12/connected>

<sup>2</sup> [http://www.connectednation.org/sites/default/files/mn\\_digital\\_literacy\\_final.pdf](http://www.connectednation.org/sites/default/files/mn_digital_literacy_final.pdf)

Making this issue even more acute is the fact that the jobs of tomorrow will require robust technology skills. For example, over 80 percent of Fortune 500 companies require job seekers to respond to online postings with a working e-mail address.<sup>3</sup> The digital divide in broadband access and use disproportionately affects certain Americans: those who earn less than \$25,000 annually; individuals who did not finish high school; and African Americans and Hispanics.<sup>4</sup> HUD serves these populations. Eighty-four percent of households with HUD assistance make less than \$20,000 per year, and 63 percent are African American or Hispanic (46 percent and 17 percent, respectively).<sup>5</sup>

Research conducted by the National Telecommunications and Information Administration of the Department of Commerce has highlighted several significant barriers that deter the adoption of broadband technology by the communities HUD serves.<sup>6</sup> These barriers include:

- Cost: The high cost of broadband installation and the on-going provision of service.
- Perception: Unease about the Internet due to safety and privacy concerns.
- Relevance: The inability to see how the Internet relates to home or work life.
- Skills: The absence of digital literacy skills needed to use online tools and services effectively.

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<sup>3</sup> <http://www.fcc.gov/blog/fcc-chairman-announces-jobs-focused-digital-literacy-partnership-between-connect2compete-and-28>.

<sup>4</sup> <http://www.pewinternet.org/fact-sheets/broadband-technology-fact-sheet/>

<sup>5</sup> Using data extracted from HUD's Inventory Management System (IMS)/Public and Indian Housing Information Center (PIC) and Tenant Rental Assistance Certification System (TRACS), HUD computed estimates of residents' race/ethnicity and household income.

<sup>6</sup> [http://www.ntia.doc.gov/files/ntia/publications/esa\\_ntia\\_us\\_broadband\\_adoption\\_report\\_11082010\\_1.pdf](http://www.ntia.doc.gov/files/ntia/publications/esa_ntia_us_broadband_adoption_report_11082010_1.pdf).

## **II. Demonstration**

Every student living in public or assisted housing should have access to the opportunities broadband Internet connectivity can provide. This demonstration is designed to encourage and create the platform for communities to collaborate with their Internet service providers, other businesses, foundations, nonprofit organizations, educational leaders, digital literacy organizations, and others to narrow the digital divide in their communities and to test the effectiveness of a collaborative set of actions that address the barriers described above.

### **1. Making Broadband More Adoptable**

Through the demonstration, HUD will build upon existing work with private industry, public housing agencies (PHAs), local governments, philanthropic foundations, and nonprofit service providers. The demonstration will continue this collaborative work to improve the lives of students housed with HUD assistance by providing the forum by which cross-sector organizations can come together to design and implement local interventions to narrow the digital divide.

### **2. Criteria for Participation**

The number of communities served at the outset of this demonstration will depend on the number of communities that commit to narrowing the digital divide and that meet the criteria described below.

HUD's goal is to identify a sample of communities from urban and rural locations that possess both small and large populations and have the capacity to effectively and expediently implement the demonstration for students housed with HUD assistance. HUD seeks participation by communities where local leadership has already taken steps to support the goals of the demonstration, as measured by both the community's participation in other

complementary Federal initiatives enhancing Internet access in communities, as well as local broadband plans and strategies for implementation. Participation in the demonstration by these communities will build upon existing efforts already underway to expand Internet access, thereby building the comprehensive community-school-home synergy that is a primary goal of the demonstration.

HUD will use the following criteria to assess communities that have expressed an interest in participating in the demonstration:

- The mayor or equivalent executive elected official of the community, and the PHA executive leader, must formally announce a commitment to narrow the broadband digital divide and in so doing demonstrate the connectivity gap that exists in their community among distinct neighborhoods and demographics.
- Communities should develop a plan to promote and expand broadband access, adoption, and use.
- To ensure presence of local support and leverageable HUD infrastructure for implementation of this demonstration, communities should be currently participating in two or more Federal place-based initiatives, such as: the Choice Neighborhoods program; the Promise Zones program; the Promise Neighborhoods program; the Byrne Criminal Justice Innovation program; the Strong Cities, Strong Communities program; the STEM, Energy and Economic Development program; or the Building Neighborhood Capacity program.
- Communities should be broadly committed to realizing the “ConnectED” vision in their public schools, including having clear plans to reach school connectivity goals by 2018 — with substantial progress already underway.

- Communities should have more than one Internet service provider, in order to ensure a competitive marketplace in the provision of Internet services that leads to more affordable and higher quality services for households.

The criteria are meant to create optimal conditions to accelerate the adoption and use of broadband technology. However, the criteria may be applied with reasonable flexibility to ensure that a diverse set of communities are considered for participation in this demonstration. As the demonstration proceeds, HUD will assess expressions of interest from communities and the availability of HUD staffing resources to support participation by more than the communities identified at the start of the demonstration. Additionally, as the demonstration proceeds, HUD will assess the effectiveness of the selection criteria on an ongoing basis. As a result of these assessments, HUD may expand the number of participating communities, revise the selection criteria, or both to reflect HUD's experience in implementing the demonstration.

### 3. Stakeholder Meetings

In advance of commencement of the demonstration, HUD will sponsor or co-sponsor one or more meetings of communities, cross-sector entities, and other stakeholders to facilitate the sharing of information and identifying communities interested in participation in the demonstration. HUD will reach out to communities that have formally declared a commitment to close the digital divide and otherwise meet the criteria described above to participate in those meetings. HUD therefore encourages interested communities to take the necessary steps to meet the criteria as quickly as possible in order to be best positioned to realize the benefits of these discussions.

HUD may partner with an existing entity that has a national organizational presence sufficient to provide a strong coordinating function across communities, government, and the

private and nonprofit sectors. The entity should have significant expertise in next-generation wireline and wireless networks. It should possess strong existing relationships with industry, foundations, universities, and nonprofit and non-governmental agencies. And, finally, it should have community project experience, including educational and outreach activities in underserved populations.

### **III. Evaluating the Demonstration**



HUD intends to build on the outcomes of the demonstration, with the goal of extending the demonstration on a nationwide basis. HUD will work with entities across the government and the broader research community to rigorously measure outcomes associated with work to narrow the broadband digital divide. The participating communities and cross-sector entities are expected to participate in any efforts designed to identify and share best practices from the demonstration with other HUD-assisted communities. In addition, participating communities and entities will be required to collaboratively develop and subsequently measure and report outputs and outcomes.

#### **IV. Solicitation of Public Comment**

In accordance with section 470 of the Housing and Urban-Rural Recovery Act of 1983 (42 U.S.C. 3542), HUD is seeking comment on the demonstration. Section 470 provides that HUD may not begin a demonstration program not expressly authorized by statute until a description of the demonstration program is published in the Federal Register and a 60-day period expires following the date of publication, during which time HUD solicits public comment and considers the comments submitted. The public comment period provided allows HUD the opportunity to consider those comments during the 60-day period, and be in a position to commence implementation of the demonstration following the conclusion of the 60-day period.

Dated: March 30, 2015

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Julián Castro  
Secretary

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